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QPX MINERALS INC. (QPX-V)

PRODUCTION FUNDING SOUGHT- QPX Minerals Inc. has acquired an option to increase the interest from 20% to 100% in the QR gold deposit, located 58 km east of Quesnel, B.C. Placer Dome Inc. will trade the 80% QR property interest for shares in QPX Minerals.

The terms of the acquisition agreement call for substantial progress to production not later than December,

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1992, and the issuance of options expiring June 4, 1994 to Placer Dome to purchase up to 3,000,000 QPX shares plus an option to Placer to match future share issues by QPX, at a price of 110% of the issue price of shares to third parties. For all gold sales at a price in excess of US \$400/oz, QPX will receive the first \$400 and Placer Dome will receive 50% of the difference between the selling price and US \$400/oz. for that volume of gold. Placer Dome will have the right to market gold production from the QR deposit.

Assuming the issuance of an additional 3,000,000 shares to third parties and exercise of the Placer Dome options, Placer Dome would own approximately 31.4% of the then issued shares of QPX, all subject to regulatory approval.

The QR deposit has geologic reserves of 200,000 ounces of gold in three zones with a fourth zone yet to be drilled off. One of these three zones, the Main zone, contains 814,000 tonnes at 0.13 oz./tonne (105,000 ounces) confirmed in a recent preliminary feasibility study by Steffen, Robertson & Kirsten. The West zone, if geological reserves there can be confirmed as mineable, would increase the initial gold inventory in these first two zones to 145,000 ounces prior to production start.

The remaining two zones would be developed during production. Capital costs are estimated to be \$9,600,000. Metallurgy tests indicate 93% recovery.

All environmental studies have been completed and the Stage I permit to mine application is on schedule for completion by June 30, 1989.

QPX is seeking production funding.